

For immediate release

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Tamil Nadu electricity bill needs redesign for greater transparency, consumer awareness: CAG-CEEW

Electricity bills act as the primary mode of communication between the utility and consumer. Apart from the obvious role they play in communicating electricity charges to the consumer, bills can also be used to, share information on (but not limited to) grievance redressal mechanisms, energy conservation tips, call centre details etc. Such information will give consumers greater knowledge and thereby greater confidence to participate in the functioning of the electricity sector. Electricity bills in India are disparate in nature and vary from state to state, with neither an uniform format, nor carrying the same level of information.. For example, the white meter card (WMC) in Tamil Nadu is quite different from the bill given by the electricity distribution company in Mumbai. This therefore brings us to our study question - can a standardised consumer friendly electricity bill be developed that can improve consumer participation.

Taking Tamil Nadu as a case study, Citizen consumer and civic Action Group (CAG) and the Council on Energy, Environment and Water (CEEW) embarked on a study to assess consumers' perception of electricity bill formats, awareness of bill elements and their expectations from a model bill, and to recommend redesigning of Tamil Nadu's electricity bill format based on consumer feedback on both White Meter Cards (WMCs) – the most widely used format in the state – and online account summaries available on the Tamil Nadu Generation and Distribution Corporation Limited's (TANGEDCO) website. The study titled 'Making electricity bills consumer-friendly: A Tamil Nadu case study' is released today.

The study shows that electricity bills - White Meter Card (WMC) and online bills - in Tamil Nadu contain inadequate information and need to be redesigned to improve transparency, consumer awareness of bill elements and charges, and consumer participation in decision-making. .

Karthik Ganesan, Research Fellow, CEEW, said, "Public utilities like discoms must disclose information in the interest of greater transparency and public awareness. A communicative electricity bill would help build consumer trust and set the ground for further reform efforts including increased accountability and public participation in decision-making, and improved service delivery. Our study indicates that Tamil Nadu consumers want a detailed, easy-to-understand bill with a reader-friendly design."

The CAG-CEEW study, which collected data from 250 respondents in nine districts of Tamil Nadu revealed that most urban and rural consumers in Tamil Nadu have low awareness of billing information as they primarily rely on WMCs, which offer less information than online account summaries. For instance, while 96% of respondents knew they received the first 100 units free on a bimonthly basis, one-third were unsure how the slab-wise tariffs applied after subsidy deduction. 87% of those who did show awareness of the break-up of charges had access to the online summary.

Further, while 57% of respondents claimed they were aware of redressal mechanisms for service-related complaints, they were mostly unaware of methods other than contacting local officials from the power distribution company (discom). The study also highlighted that 47% of respondents found difficulties in understanding the electricity bill due to missing information, inconsistencies in the recorded meter reading, and inadequate information in the WMC.

Pavithra Ramesh, a researcher in CAG's energy governance team and a co-author of the study, said, "The electricity billing structure in Tamil Nadu lacks granularity and transparency. Several key details including a breakdown of charges and applied electricity subsidies, which are an important aspect of TN's electricity charges, are not reflected in the WMC. Mistrust arising from misunderstanding of electricity bills can be mitigated with a more informative and user-friendly electricity bill design. Most importantly, the bill must be visualised as a key tool for enabling consumers to interact with the discom and various stakeholders in a more informed and transparent manner."

CAG and CEEW have proposed three model bills for adoption in Tamil Nadu based on the study's findings, as well as a review of electricity bill formats used by 26 discoms across 20 Indian states. The model bills will be piloted with select consumers in the next phase of the study. These include detailed bill-related information, past consumption trends, energy-saving tips and information on grievance redressal mechanisms.

Vishnu Mohan Rao, who leads the energy governance work at CAG, said, "it is hoped that the study will provide a framework to policymakers, regulators, utilities to come up with a friendly, standardised and informative bill for consumers to understand their electricity charges clearly while ensuring that their queries and issues are addressed in a satisfactory manner. A standardised way to present billing information will help in ensuring a smooth roll out of future billing related technologies such as smart meters"

The CAG-CEEW study also recommends that consumers be allowed to choose between English and Tamil as the preferred language of communication. Further, from a regulatory standpoint, the study recommends that the Tamil Nadu Electricity Supply Code include a comprehensive list of elements to be added to the electricity bill.

The study 'Making electricity bills consumer-friendly: A Tamil Nadu case study' can be accessed [here](#).

About CAG

Citizen consumer and civic Action Group ([CAG](#)), formerly known as Consumer Action Group (CAG) is a non-profit, non-political, non-religious, voluntary and professional citizen's group based in Chennai, India. CAG has over 25 staff working on energy and environment, consumer protection, urban governance, water, sanitation, solid waste management, and transport governance. CAG's strengths are in the areas of policy and action research, information dissemination, training and capacity building, data analysis and ICT tools, stakeholder engagement, network building, advocacy, and outreach programmes.

About CEEW

The Council on Energy, Environment and Water ([CEEW](#)) is one of Asia's leading not-for-profit policy research institutions. The Council uses data, integrated analysis, and strategic outreach to explain –

and change – the use, reuse, and misuse of resources. It prides itself on the independence of its high-quality research, develops partnerships with public and private institutions, and engages with wider public. In 2021, CEEW once again featured extensively across ten categories in the *2020 Global Go To Think Tank Index Report*. The Council has also been consistently ranked among the world's top climate change think tanks. Follow us on Twitter @CEEWIndia for the latest updates.

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